

[Translation]

Black Money

4450. SHRI VINAY KATIYAR :
PROF. OMPAL SINGH NIDAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the black money deposited in Swiss banks;

(b) if so, the amount thereof and the names of individuals and organisations in whose name this amount is deposited;

(c) whether the Government are taking any action to bring back this black money to India; and

(d) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) No authentic estimate is available.

(c) and (d) A Voluntary Disclosure Scheme has been announced by the Government in the Finance Bill for 1997-98, under which black money stashed abroad can also be declared.

Restriction on foreign direct investment

4451. SHRI KASHIRAM RANA :
SHRI MAHESH KUMAR M. KANODIA :

Will the Minister of FINANCE be pleased to state :

(a) the restrictions imposed on taking capital and profit on the foreign capital investment by foreign investor to their countries;

(b) whether foreign investors are allowed to take back their capital whenever they desire or they will have to wait for a block period for the said purpose; and

(c) the investment alongwith foreign investment made by the Non-Resident Indians till date ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Foreign investors are allowed to freely repatriate their dividends earned on their investment in Indian except in the case of 22 consumer goods industries where dividend balancing for a period 7 years is stipulated. Foreign investors are also allowed to repatriate the net sale proceeds of their disinvestment after fulfilling procedural

requirements for such disinvestments under section 19(5) of FERA.

(c) The inflow in respect of NRI investment under various schemes in shares/debentures of Indian Companies from the years 1991 till 1996 was as under :

(Rs. in lakhs)

Year	Inflow
1991	16229.63
1992	15299.72
1993	57941.45
1994	114525.95
1995	198783.84
1996	206206.30

[English]

RBI norms for NRE Accounts

4452. SHRI SRIBALLAV PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) whether Reserve Bank of India has liberalised the norms governing transfer of funds from one NRE (Non-resident external) account to another and permitted banks to clear foreign exchange remittances on current account transactions; and

(b) if so, the details thereof alongwith the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Reserve Bank of India (RBI) has liberalised the norms governing transfer of funds from one NRE (Non-Resident External) account to another. As regards permission to banks to clear foreign exchange remittances on current account transactions, all bona fide current account transactions qualify for release of exchange either under the authority delegated to authorised dealers or after obtaining the necessary approval from Reserve Bank except those transactions for which remittances are expressly prohibited. The permission for transfer of funds from one NRE account to another is independent of the power delegated to authorised dealers to allow remittances on current account transactions.

(b) As regards transfers between two NRE accounts, authorised dealers are allowed to effect transfer of funds